EMPOWERING A SUSTAINABLE FUTURE

SUSTAINABILITY REPORT 2022

INSIDE THIS REPORT

EMPOWERING A SUSTAINABLE FUTURE

As Cambodia's leading mobile telecommunications operator, sustainability remains central to our purpose. We have stepped up our efforts to create positive, long-term impacts for our people, our planet and our organization. Beyond generating profits, we continue to hold fast to our values of integrity, achievement, courage, passion and meticulousness, underpinning our mission to connect people and make their lives better. Anchored on a robust sustainability framework, our sustainability efforts drive us towards 'Empowering A Sustainable Future' for our Kingdom.

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For more information, please scan these QR code:

Scan to view ***About Smart***

ABOUT AXIATA GROUP

Axiata Group is a leading digital and telecommunications conglomerate with a footprint across 10 countries in ASEAN and South Asia. The Group harnesses digital technology, innovation and connectivity to empower and advance an inclusive and sustainable digital society. The Group's smart solutions transform the way people and businesses adapt and navigate in today's accelerated digital landscape. The Group provide an extensive range of solutions across their Triple Core Businesses verticals of Digital Telcos, Digital Businesses and Infrastructure.

Our Purpose

Advancing Asia

Our Vision

The Next Generation Digital Champion

Our Values

Uncompromising Integrity, Exceptional Performance (UI.EP)

Digital Telcos

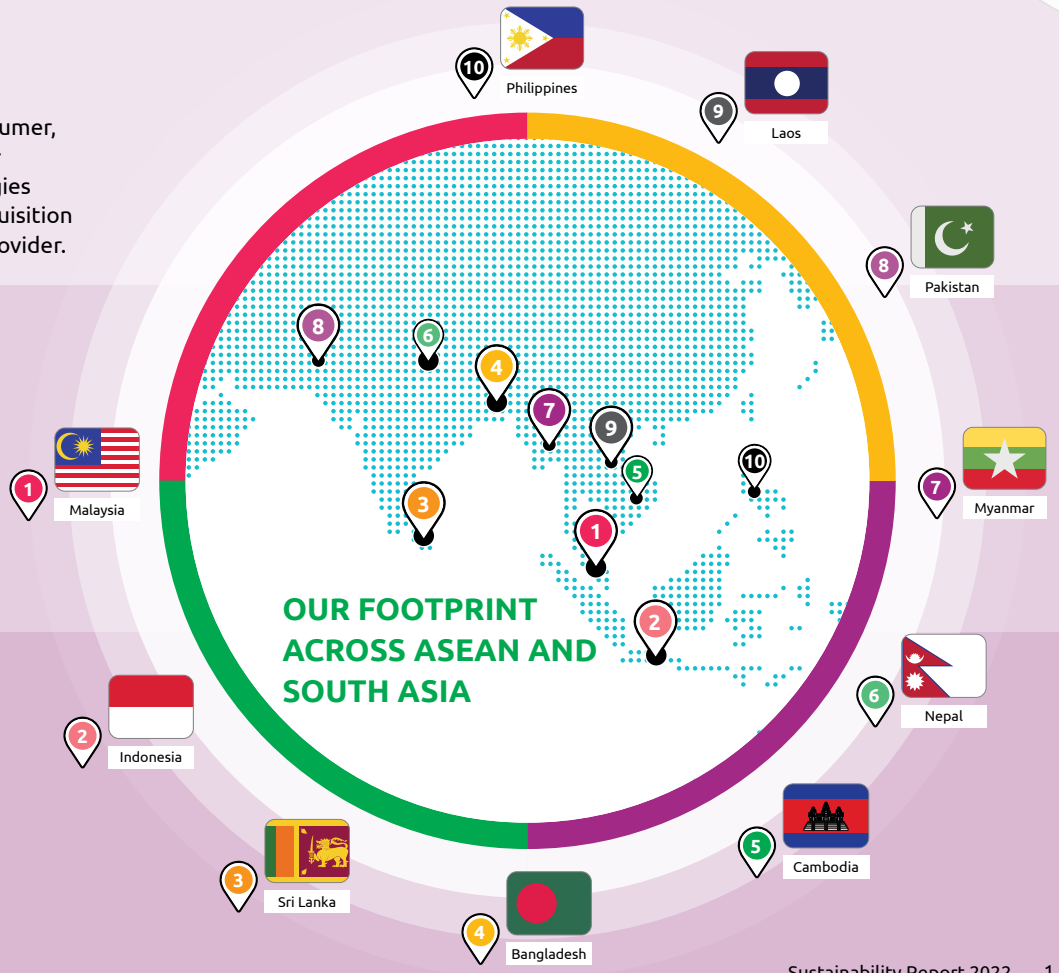
The Group's Digital Telcos provide mobile, fixed and converged connectivity and solutions for Consumer, Home and Enterprise segments. They leverage digital ecosystems to offer smart solutions for their customers' vastly changed communications requirements. In 2022, The Group strengthened synergies through the Celcom-Digi merger to form the largest telco in Malaysia. Meanwhile, the Link Net acquisition in Indonesia puts the Group at the forefront as a converged fixed broadband and mobile service provider.

Digital Businesses

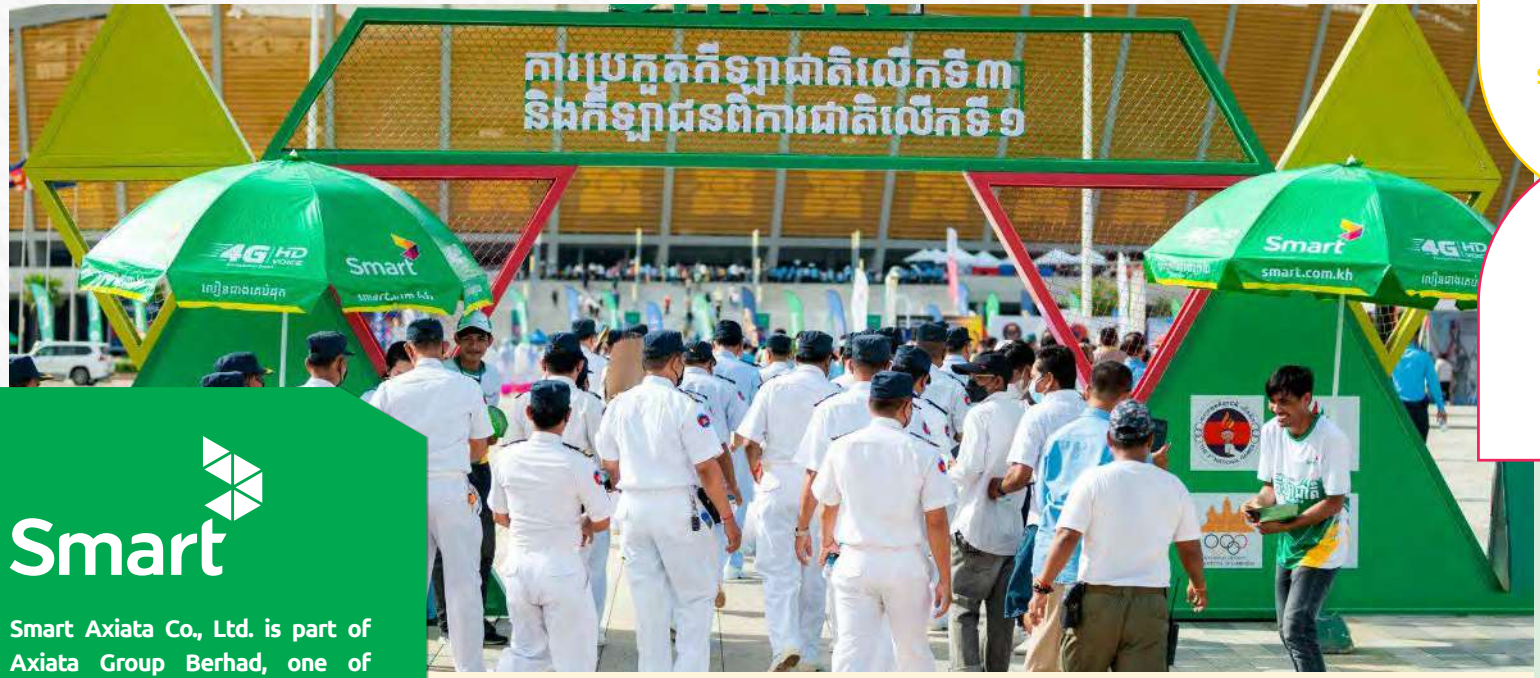
The Group's Digital Businesses leverage intelligence, innovation and data to drive digital financial services, digital marketing and analytics. Boost, a full-spectrum fintech player with a digital bank license, is poised to strengthen financial inclusion by democratizing financial services to the unserved and underserved segments of society. Through digital marketing and sales transformation, integrated growth partner ADA enables enterprises and brands to drive top-line growth across Asia.

Infrastructure

The Group's Infrastructure business provides end-to-end integrated telecommunications infrastructure solutions and services, including tower leasing, co-locations, build-to-suit, energy and transmission and operations and maintenance (O&M). EDOTCO is the world's sixth largest Tower Company (TowerCo), owning and managing over and manages over 58,000 towers across South and Southeast Asia.



WE ARE SMART AXIATA



Smart

Smart Axiata Co., Ltd. is part of Axiata Group Berhad, one of the largest telecommunications groups in Asia. Smart is the leading company driving the advancement of mobile technology in Cambodia. Sustainability is at the core of Smart's business decisions and activities, enabling us to create long-term positive impacts for our planet, community and business. Guided by our robust sustainability framework and that of Axiata Group, we will continue to create value and contribute towards a sustainable future for all, ensuring that no one is left behind.

Vision

To be the **#1** and **most loved** communication tech brand in Cambodia.

Mission

We Connect.
We Make Lives Better.

Values

- We are **open and honest** (UI).
- We **win big, as a team** (EP).
- We are **courageous**.
- We are **passionate**.
- We are **attentive to details** to achieve simplicity.

Awards and Recognition

We won 2 awards from Frost and Sullivan in 2022

- Cambodia Mobile Services Company of the Year
- Cambodia Mobile Data Services Company of the Year

Recognized as the fifth largest taxpayer

MESSAGE FROM OUR CEO

DEAR STAKEHOLDERS,

The year 2022 marked a significant shift towards normalcy as the pandemic retreated around the world, bringing with it a renewed sense of optimism. In Cambodia, pandemic-induced restrictions were lifted, which led to an increase in business, social and tourism activities. Against this backdrop, Smart Axiata remained steadfast in our mission to connect people and played a pivotal role in supporting the Kingdom's unwavering efforts towards a sustainable economic recovery.

ZIAD SHATARA
Chief Executive Officer

Smart has made significant contributions through a wide range of initiatives and programs that are truly making a difference in the everyday lives of the people of Cambodia. One of our primary focuses has been ensuring that connectivity services reach even the most remote areas, allowing access to vital resources and opportunities. Additionally, we have made substantial investments in enhancing the Kingdom's network and digital ecosystems, establishing a solid foundation for a thriving digital economy and society.

Our efforts go beyond infrastructure and technology. We recognize the importance of supporting social programs that address the needs of our communities. Through various partnerships and collaborations, both in the private and public sectors, we have worked tirelessly to bridge the digital divide and promote digital literacy. Our aim is to create an inclusive digital society and economy, where no one is left behind as the world fully embraces digitalization. Together, with like-minded organizations, we have implemented robust digital literacy programs, empowering individuals and equipping them with the skills needed to succeed in the digital era.

MESSAGE FROM OUR CEO

We hold unwavering dedication to serving the wider community, encompassing students, the underserved and the underprivileged. In 2022, we made a substantial investment of over 650,000 USD in community initiatives focused on digital advancement, technology, education, entrepreneurship and environmental protection. Among our significant ongoing community endeavors, IMPACT+ stands out as an exemplary program carried out in collaboration with World Vision International. Through IMPACT+, we positively influenced the lives of more than 9,000 youths last year by equipping them with essential skills crucial for their future success.

Furthermore, our new partnership with UNESCO has allowed Smart to contribute devices and Internet access to the Basic Education Equivalency Program (BEEP), working towards enhancing access to basic education for out-of-school youths.

It is essential to highlight the remarkable efforts of our employees, who have played an instrumental role in ensuring the successful execution of the programs we facilitate and participate in. Last year alone, **a total of 148 employees** generously volunteered their time to support 15 programs, making a profound impact on the lives of thousands of people.

Total beneficiaries

141,344

Mobile Libraries and Library Orientation Center

Benefited

5,000 students

BEEP

601 (almost 50% have graduated)

Digital literacy workshops

1,105 (includes students and university volunteer trainers)

Project R supported education of

17,334

high school students in Siem Reap

Impact+ program in collaboration with world vision international

Benefited

9,150 children, adolescents and youths directly and indirectly

A total of

148 employees volunteered to support

15 programs in 2022

At the other end of the spectrum, Smart actively nurtures tech and digital entrepreneurs in Cambodia through the Smart Axiata Digital Innovation Fund, where almost 3 million USD has been invested in 10 high-growth startups since the fund began in 2017. This has not only helped to create jobs and economic value but also modernized the various sectors that these investee companies are a part of.

Looking ahead, we will continue to progress Axiata Group's vision of sustainable growth through partnerships, service offerings and community engagement.

In conclusion, I want to express my gratitude to the dedicated team at Smart Axiata for their unwavering commitment and hard work in propelling the Smart family to the forefront of the digital landscape. We will remain fully committed to enhancing the positive influence we exert daily and will maintain our close collaboration with the government and all our stakeholders as we continue to advance in a responsible and sustainable manner.

BEYOND SHORT-TERM PROFITS

In our sustainability journey, we strive to generate positive value for our stakeholders and the communities we serve. Through our business activities, products and services, we actively contribute to their well-being and strive to make long-term impacts by strengthening the local economy, investing in infrastructure and advocating for digital inclusion to ensure no one is left behind.

Sustainable Development Goals

BEYOND SHORT-TERM PROFITS

FOCUS AREAS

Local Economy

Actively boost the national economy through investments and by contributing to public financing. We invest in local digital startups and technopreneurs to also help strengthen the local economy.

Investment in Infrastructure

Improve connectivity, expand coverage and continuously enhance network quality to ensure inclusivity and accessibility of our services throughout Cambodia.

Digital Inclusion

Prioritize the empowerment of businesses in Cambodia by ensuring affordability for our customers while fostering digital innovation to support tech-driven enterprises in addressing business challenges.

BEYOND SHORT-TERM PROFITS

CREATING LONG-TERM VALUE THROUGH OUR INVESTMENTS

Contribution to Gross Value Added
367 million USD
(1.3% of the nation's GDP)

Capital and operational expenditure
255 million USD

Capital investment of
70 million USD

Smart Axiata Digital Innovation Fund (SADIF) continues to drive the growth of the nation's digital ecosystem

Contribution to **public finances** of
121 million USD

Over the years, our investments have helped to not only improve telecommunications infrastructure in the Kingdom but also boost the local economy via tax payments, the creation of job opportunities and the elevation of the digital ecosystem.

LOCAL ECONOMY

- Contribution to Gross Value Added **367 million USD** (**1.3%** of the Nation's GDP)
- Capital and operational expenditure of **255 million USD**
- Contribution to **public finances** of **121 million USD**, which accounts for **3.5%** of the Kingdom's total tax revenue, excluding regulatory fees, levies and payments
- **2%** of **total annual service revenue** contributed to **Universal Service Obligation Fund** to bridge the digital divide
- **1%** of **total annual service revenue** is contributed to the **Capacity Building Research and Development Fund** to develop ICT resources
- **Smart Axiata Digital Innovation Fund (SADIF)** is a **5 million USD** venture capital fund to invest in Cambodia-based digital startups that are driving the growth of the nation's digital ecosystem. Launched in March 2017, SADIF was the **first tech venture capital fund in the Kingdom**

INVESTMENT IN INFRASTRUCTURE

Network Coverage

Network Coverage (number of base stations)

2G	**3,329** sites
4G	**3,374** sites

Network Coverage (by population)

2G	**99.6** %
4G	**92.1** %

BEYOND SHORT-TERM PROFITS

INVESTMENT IN INFRASTRUCTURE (CONTINUED)

Enhancing Connectivity and Extending Coverage

The shutdown of 3G sites enables a better 4G experience, with significant improvements in the quality of connectivity. This transition optimizes spectrum resource utilization, resulting in faster and more reliable connections. With increased adoption of advanced mobile technologies, users can efficiently access digital services and engage in a wider range of online activities. Notably, more than **99% of the data traffic was generated by users on the 4G network** and **80% of our customers are equipped with 4G-compatible devices**. This ensures extensive coverage and enables a seamless digital experience for the majority of our users.

Smart is the first operator to have launch sites along main priority areas along the Phnom Penh-Sihanoukville Expressway, including rest areas and toll stations, to ensure digital service for travelers.

Additionally, **54 new base stations** have been set up outside of the capital to broaden coverage and improve network quality. Our new base stations are in Pursat, Banteay Meanchey, Kampong Speu, Siem Reap, Oddar Meanchey, Battambang, Kampong Thom, Kandal, Takeo and Kampot.

In 2022, borey projects were a key focus, with **57 base stations** brought on air across the country.

We are continuing to work on our existing sites, too, to **increase capacity and upgrade services**. Overall, **more than 2,000 stations nationwide** have been optimized.

Network Quality

Initiatives taken to **improve network quality and reliability**:

- Cloudified key network elements
- Implemented redundant nodes and connections with periodical redundancy tests
- Localized popular traffic (for games, videos and downloads) to reduce latency for better user experience
- Deployed a containerized environment for workloads to ease management and reduce start and recovery times

In addition to this, we ensured timely capacity upgrades and expansions, carried out system enhancements and enforced stringent change request procedures.

To address business continuity risks associated with technological disruptions, we:

- Improved our power and cooling redundancy in Smart data centers
- Deployed more independent international private leased circuits to further diversify Internet connectivity
- Deployed points of presence in major hubs in Southeast Asia (Hong Kong and Kuala Lumpur)

BEYOND SHORT-TERM PROFITS

DIGITAL INCLUSION

Empowering Businesses

We empower businesses by offering small and micro-businesses accessible, efficient and cost-effective digital services and solutions that streamline their daily operations. To equip our customers in strengthening their businesses, we offer industry-specific digital inclusion products and services such as:

Smart Sponsored Call

- Customers can call the subscribing company for free, enabling businesses to offer more accessible customer care services
- More than 300 enterprises are currently utilizing this service

Smart Fleet Management

- Smart has partnered with global mobility player Cartrack to offer an innovative fleet management solution (branded as "Smart Fleet Management") to enterprise customers. This first-in-market service meets all the needs of businesses that require in-depth fleet analytics to drive down costs and increase vehicle efficiency

Cloud PBX

- Our advanced Cloud PBX is a revolutionary phone system that guarantees seamless and reliable communication. It embraces a scalable, cost-effective, and dependable cloud-based solution that ensures your business communications remain uninterrupted, both internally and externally

BEYOND SHORT-TERM PROFITS

DIGITAL INCLUSION (CONTINUED)

Ensuring Affordability

We continued to provide affordable smartphones priced below 100 USD to broaden access to digital services and the Internet.

- **Smart Hero II** is sold at 139 USD, while Smart Nano II is priced at 45 USD. These phones accounted for more than 50% of smartphone sales in Smart Shops in 2022.
- Continued partnering with third-party institutions to offer financing for device installment purchases from Smart Shops at lowest possible interest rate

Improving Our Customers' Digital Lifestyle

Smart IoT

- Smart IoT creates a user-friendly platform that seamlessly integrates building management systems, IT infrastructure and security systems. This innovation allows remote control of lighting, air conditioning, security systems, smart locks and IoT automation for homes and offices. Users can easily manage these controls from their smartphones via the Smart Life app. This initiative is specifically targeted at consumers within the hotel, restaurant and catering segments, as well as small offices, real estate, property firms and residential customers.

For more information, visit: https://www.smart.com.kh/get-smart/plans/smart-iot/

IMPACT STORY

Digital Innovation

Smart Axiata Digital Innovation Fund (SADIF) is a 5 million USD venture capital fund that invests in Cambodia-based digital startups that are driving the growth of the nation's digital ecosystem. Launched in March 2017, SADIF was the first tech venture capital fund in the Kingdom. The fund focuses on Fintech, Advertising and Media, Logistics and Delivery, Edtech and Health Tech. SADIF follows a strategic approach, initially making small investments and subsequently injecting larger capital as businesses show promise. Furthermore, we extend comprehensive support, leveraging our network and LPs and often engaging in co-investments alongside other venture capitalists to maximize the impact on Cambodia's digital ecosystem.

Portfolio Companies nham24 | Morakot | OKRA | Sala | AGRIBUDDY | banhji | Goama | DRVR Smart Driving | Doudey Cambodia

In 2022, our beneficiaries and their achievements were:

OKRA

- An **Internet of Things (IoT) tech for off-grid solar** that provides **end-to-end services, connecting energy companies and utilities providers** with end customers
- **Energized 7,500 people, 1,513 households and 62 villages in Cambodia**, the Philippines, Nigeria and Haiti
- Contributed to:

nham24

- Cambodia's **super e-commerce app** for delivery of food, groceries, packages and quick commerce
- Generated income through employment for **more than 2,500 motor driver partners** (186 females) and **over 5,000 taxi/tuk tuk partners** (9 females)
- Facilitated delivery and online ordering of more than 23,000 merchants
- Expanded coverage to **more than 19 cities and provinces**

Morakot

- A Cambodian **cloud-based core banking system** for microfinance institutions, banks and other financial institutions
- **41 enterprise customers** in Cambodia and Myanmar
- Facilitated and managed **approximately 300 million USD loans and 250,000 borrowers** on the platform

Sala

- A **school management system and digital school enrollment platform** in Cambodia that aims to ease management of schools and students at an efficient cost
- Sala's enrollment platform aims to **empower high school students** to make **better college and career choices**
- More than **25 schools utilized** Sala platform
- More than **22,700 students facilitated and managed their learning** through the Sala School and Learning Management System
- More than **9,000 students utilized** the Sala enrollment platform
- Signed MoU with the Ministry of Education, Youth and Sport to **modernize school management system, promote higher education and technical training enrollment and increase awareness of career choices**

NURTURING PEOPLE

It is vital to nurture the health and well-being of our people, as they are the driving force behind the sustainable growth of our business. We are committed to looking after their needs by providing a safe and healthy workplace, promoting diversity, investing in their leadership and growth and engaging with them to meet their needs. In order to retain our talents, we make the effort to enhance job satisfaction, ensuring a motivated, productive and committed workforce.

Sustainable Development Goals

NURTURING PEOPLE

FOCUS AREAS

Fair Employment and Welfare

We respect and acknowledge the unique perspectives and opportunities that arise from having a diverse workforce. We aim to cultivate a workplace that celebrates diversity, where recruitment is based on merit and where individuals are treated with respect and dignity. We do not condone any form of discrimination or harassment.

Talent Development

We provide the right-fit talent development solutions for our talents through fostering pipelines and accelerating their potential, motivation, and aspiration.

Employee Health, Safety and Well-Being

Ensuring the well-being and safety of our employees while supporting their goals is crucial to the long-term sustainability of our business. To this end, we continuously engage with our employees to fully understand their needs and concerns, develop their careers and prioritize their health and safety.

NURTURING PEOPLE

PROMOTING OPPORTUNITIES AND DEVELOPING LOCAL TALENT

33%	Women's representation in senior management
1,077	Total employees Male **674** Female **403**
1,055	Cambodian employees
54,079	Total jobs supported
19,041	Job supported by capital investments
34,196	Operational jobs supported indirectly
1,077	Jobs supported directly

FAIR EMPLOYMENT AND WELFARE

Fostering fair recruitment practices by embracing diversity and inclusion in the workforce and offering employees fair compensation and benefits

Fair Employment that Cultivates Diversity and Equal Opportunity

- Led by **Smart Axiata's Recruitment Playbook**
- **Employee support programs** – flexible working hours and work from home arrangements
- **Benefits provided to full-time and part-time employees** – life insurance, health insurance, disability and invalidity coverage, parental leave and retirement provision (from the National Social Security Fund)
- **Digital Internship Program** – **24** interns, **9** were recruited as full-time employees
- **Celebrated International Women's Day** – every female employee received a personalized bracelet and card with a message from the CEO

- Female employees in technical, engineering and research and development roles: **29 (3%)**
- Persons with disability: **4**

NURTURING PEOPLE

FAIR EMPLOYMENT AND WELFARE (CONTINUED)

Instilling a Culture of Integrity

- Smart Core Values training for new employees on induction day
  - All new employees received Smart Core Values card and shirt and a Smart Identity booklet

- Smart Values mobile app to increase employees' awareness of Smart Core Values

- Good2Great Journey to create understanding, commitment and ownership to live up to Smart's mission, vision and core values. This includes:
  - Team development session with CXOs and physical training with leadership team
  - Company-wide training to drive company culture

TALENT DEVELOPMENT

We provide the right-fit talent development solutions for our talents through fostering pipelines and accelerating their potential, motivation, and aspiration.

Employees received training:

1,060 out of 1,077 (98%)

Total number of training hours:

38,228

Average training hours by gender:

Male 30.9

Female 43.2

Average training hours per employee per year:

35.5

Average training hours by employee category:

15.6 Senior management (CEO and CXOs)

65.2 Middle management

48.4 Executive

10.9 Non-executive

NURTURING PEOPLE

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Providing for the health, safety and well-being of our employees in ways that address key challenges and bring value to their livelihood in the workplace

79% Employee Engagement Score

Actively engaged with employees through various initiatives and activities

Organized SLT's Coffee Chat to enhance communication between the Senior Leadership Team and employees

Communicated with employees on a regular basis via Yammer, email and digital tools such as Microsoft Teams

Promoted employees' well-being well-being by participating in a marathon, inspiring them to lead more active, healthier lives

Employee well-being and wellness:

- Held Employee Wellness workshops to raise awareness of the importance of stress management and personal well-being

Managing COVID-19 among employees:

- Delivered care packages to employees who tested positive for COVID-19
- Sent food packages to employees under quarantine or with limited access to food due to flood disruptions
- Conducted contact tracing to identify employees with direct and indirect contacts
- Monitored employees' health updates via Microsoft Teams chat groups

- Employee rewards and recognition: Gave "On Spot Awards" to employees who lived up to Core Values or showed dedication to challenging projects. Other awards included Smart Star, Smart Champion and Long Service Award

- Team Building for individual departments to boost departmental morale and engagement by cultivating teamwork and having fun at the same time through games and activities

- A year-end gift was presented to acknowledge employees for their contributions towards Smart's 2022 achievements and to drive momentum for 2023

- Smart Staff Party was the biggest internal engagement activity, organized to boost employee morale and collective team bonding by giving employees the opportunity to create positive memories and build a closer rapport with colleagues

NURTURING PEOPLE

EMPLOYEE HEALTH, SAFETY AND WELL-BEING (CONTINUED)

Other employee engagement activities:

- Celebrated Chinese New Year and International Women's Day

- Organized Smart Mobile Legends tournament

- Participated in a half-marathon and Khmer Empire Marathon

- Offered employees tickets to football matches and concerts organized by Smart

- Organized donations from employees to support Angkor Hospital for Children

Organized programs for employee volunteerism* :

- Environmental Education Tour in Siem Reap

- Earth Hour Event 2022

- Cambodia Climate Change Summit 2022

- Energy Efficiency Initiative
- SmartEdu University Development Program
- SmartStart Highschool Edition
- Career Forum with Sipar Cambodia

* *Read more about employee volunteerism program in Is this correct or is it Contribution to Culture and Society*

IMPACT STORY

As a progressive organization, we value the dedication of our employees, and we are deeply committed to supporting their career advancement and helping them achieve their professional goals.

We offer extensive learning and development programs that encompass leadership, technical training and language courses. Designed to enhance the skills and knowledge of our employees, the programs not only allow us to retain top talent but also ensure that our people remain agile and relevant with the industry's development.

Learning and Development Programs	
Name	**Details**
Leadership Skills	▶▶ Smart Leaders Program (FLM) – Cohort 7 underwent one-on-one coaching in leadership skills ▶▶ Professional interview skills training for people managers and supervisors from across divisions
Functional Training	▶▶ Specific skills and technical training for employees from various departments ▶▶ Programs included DevOps Training, Network and Automation Training and CMO training, all of which involved training in customer services, how to sell effectively, business ethics and pricing
English Capabilities Development Program	▶▶ An English class and workshop on communication were provided to 88 employees from across divisions
Mandatory Courses	▶▶ LinkedIn Learning focusing on business needs was organized for employees JL4 and above ▶▶ Compliance training is mandatory for all employees
Excel Training	▶▶ A fundamental training for 60 employees from across divisions
Onboarding Program	▶▶ Induction training program for 161 employees ▶▶ Included on-the-job training for front office agents, corporate profile for HQ employees and job-related training for contact center agents
Education Sponsorship Policy	▶▶ This policy provides for the sponsorship of our employees' educational pursuits, especially those that upskill and reskill them ▶▶ In 2022, 10 people were sponsored: 2 were studying for their master's degree, while the other 8 were upskilling and reskilling

PROCESS EXCELLENCE

We strive to create a strong brand identity that involves building trust among stakeholders, including our valued customers, dealers and business partners, regulators, suppliers and investors. In our pursuit of excellence through the adoption of digital technologies, we uphold the highest standards of integrity while providing exceptional customer experience and cost-effective products and services. We also factor in Economic, Environmental and Social (EES) considerations across our supply chain management and operational processes.

Sustainable Development Goals

PROCESS EXCELLENCE

FOCUS AREAS

Procurement and Supplier Management

Managing our supplier relationships efficiently and ethically, supporting local businesses whenever possible.

Digitalization

Promoting a data-driven culture by adopting digital processes to lower costs and enhance operational efficiency.

Customer Satisfaction

Enhancing customer experience and satisfaction by taking feedback into consideration to improve customers' overall experience with us and become an integral part of their digital lifestyle. Additionally, we strive to safeguard our customers' privacy, ensuring their personal information remains protected and secure.

Business Continuity

Reinforcing our governance by implementing measures to combat bribery and corruption, alongside enhancing risk management through employee training and effective communication of policies and procedures.

PROCESS EXCELLENCE

CULTIVATING A CULTURE OF OPERATIONAL EXCELLENCE

An industry leader in **cybersecurity protections and safeguards** with **Information Security Management System - ISO/IEC 27001:2013**

Achieved **highest Net Promoter Score** among telcos

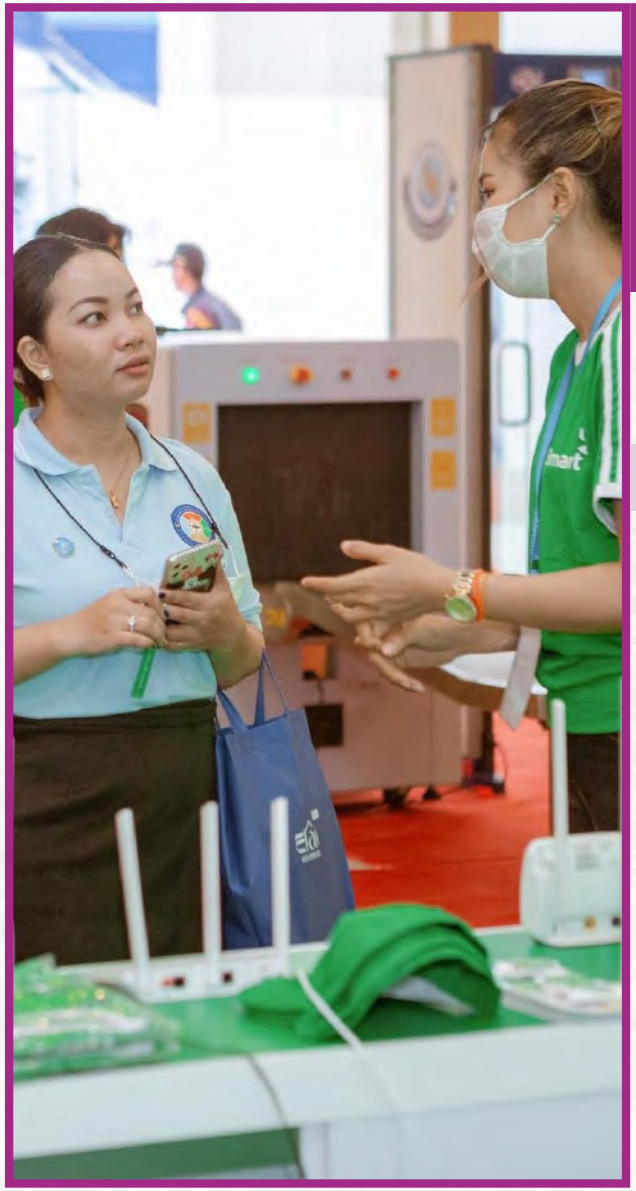
Promoted and supported collaborations with **local vendors**

Enhanced **governance and ethical awareness among stakeholders**

Anti-Bribery & Anti Corruption Program
We have zero tolerance for any form of bribery or corruption, as exemplified by our implementation of the T.R.U.S.T Principles. This program is validated by external consultants (EY and Trident Integrity Malaysia) to ensure its adequacy and effectiveness

Improved **SmartNas** app features for a better user experience

Leveraged the power of data analytics to **derive comprehensive customer insights to enhance overall customer satisfaction**



PROCUREMENT & SUPPLIER MANAGEMENT

We prioritize ethical practices and value environment preservation. Our suppliers are also expected to prioritize environmental protection, comply with all relevant environmental laws, regulations and standards and implement management systems to meet product-specific environmental requirements outlined in contracts.

Number of local suppliers **299** (equal to 74%)

Supplier Code of Conduct signed by **337** vendors

Supplier Screening and Assessment

- To ensure suppliers' operations are aligned with our Economic, Environment and Social (EES) aspirations, suppliers are required to have an environmental policy and undergo assessments for child labor and forced labor.

97% of suppliers were screened using environmental and social criteria

Digitalizing and Modernizing Processes

At Smart, we are relentlessly exploring ways to simplify and digitalize processes to be more efficient:

- We studied the usage of the VITAL system to replace PDF requests and keep track of donations, sponsorships and other charitable transactions
- We have automated the due diligence Excel questionnaire within our supplier management system (Coupa). This system streamlines the supplier onboarding process, from assessment to the completion of supplier registration. It also automates the entry of information about our suppliers into the system

PROCESS EXCELLENCE

CUSTOMER SATISFACTION

We are committed to delivering excellent customer experience by providing high-quality and user-friendly products and services to fulfill customers' digital needs. We implemented the following measures to boost overall customer experience and satisfaction:

Transactional Net Promotional Score (tNPS) survey in our call center, retail shops and web chats to maintain consistent customer satisfaction across all touchpoints

Established a **touchpoint service catalog** to keep on providing more services for everyone, everywhere

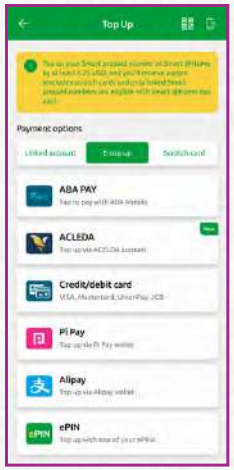
Initiated a **Customer Experience KPI Framework** to emphasize the importance of customer experience for all employees and to enhance overall customer experience

Customer Feedback and Complaints

- Emails requesting support from trusted external parties as well as complaints and feedback from customers are automatically converted into a ticket and assigned to relevant personnel for resolution
- Number of customer feedback comments received:

100,752
(primarily related to the discontinuation of the SmartLoan service and new plan migrations)

Customer Experience

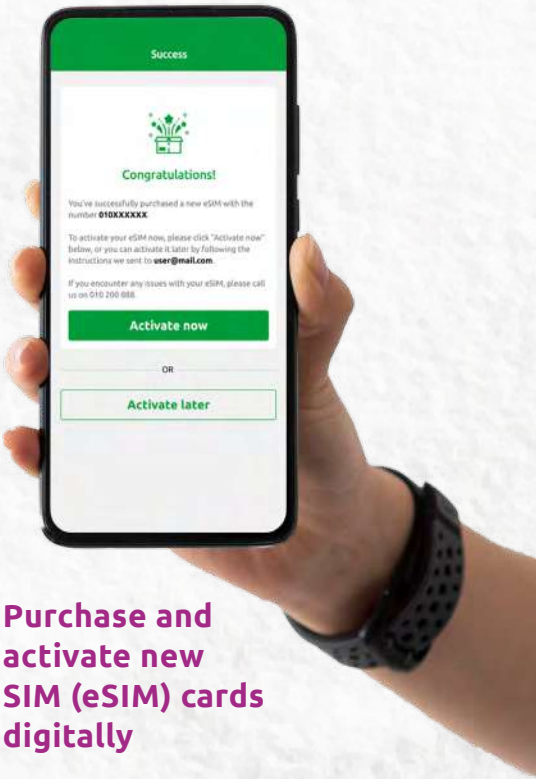


- Enabled **SmartNas eSIM purchase and user profile handling** to enhance customer experience

51.63%
of customers utilized Smart's online service solutions and sales platform

Our **NPS improved by 13.36% to 33.09%** compared to 2021, ranking Smart Axiata as the no.1 telco in Cambodia. Conducted by a third-party agency across the country, the survey covered **three major telecommunications companies** and analyzed an average monthly sampling of **1,350 responses**. The improved scored was partly due to the following initiatives implemented in 2022:

- Implemented the tNPS platform as our main touchpoint, establishing it as the Customer Service KPI for Customer Service Agents
- Enabled customers total onboarding control in our SmartNas self-care app, allowing them to purchase and activate new SIM (eSIM) cards digitally
- Enhanced prepaid credit top up experience by launching campaigns to promote **digital top up**, **enabling saved payment options** for convenience



Purchase and activate new SIM (eSIM) cards digitally

PROCESS EXCELLENCE

DIGITALIZATION

Smart is the first telecommunications company in Cambodia to obtain Information Security Management ISO certification. We are committed to delivering excellent customer experience by providing high-quality and user-friendly products and services to fulfill customers' digital needs. In 2022, we implemented the following measures to boost overall customer experience and satisfaction:

Data Privacy

Zero

- Complaints concerning breaches of customer privacy and losses of customer data
- Data breaches
- Affected customers
- Regulatory actions for data protection violations

- Upheld digital rights through Smart's Data Privacy Policy and complied with the latest Cambodia Digital Economy and Society Policy and Framework 2021-2035
- Published a Transparency Report upon request from investigative authorities and government agencies in Cambodia. In 2022, we received requests from relevant law enforcement agencies to provide information on data subjects. We provided information on 2,369 data subjects
- Smart has been working to adopt AI governance under the guidance of Axiata Group. Our focus is on data privacy and security, with the aim of ensuring transparency, compliance and trustworthiness in all stages of data collection, model development, testing, deployment and monitoring

To protect the privacy of our data subjects, we ensure that we have implemented various physical, technical and administrative security measures. To raise privacy awareness and comply with Smart's Privacy Policy, we have implemented the following among our suppliers and employees:

Employee

- **Data Privacy Day**
- **Monthly Data Privacy Awareness programs**
- **Mandatory training for all current and new employees**
- **Smart Guardian Newsletter**
- **Privacy Compliance Framework documents**

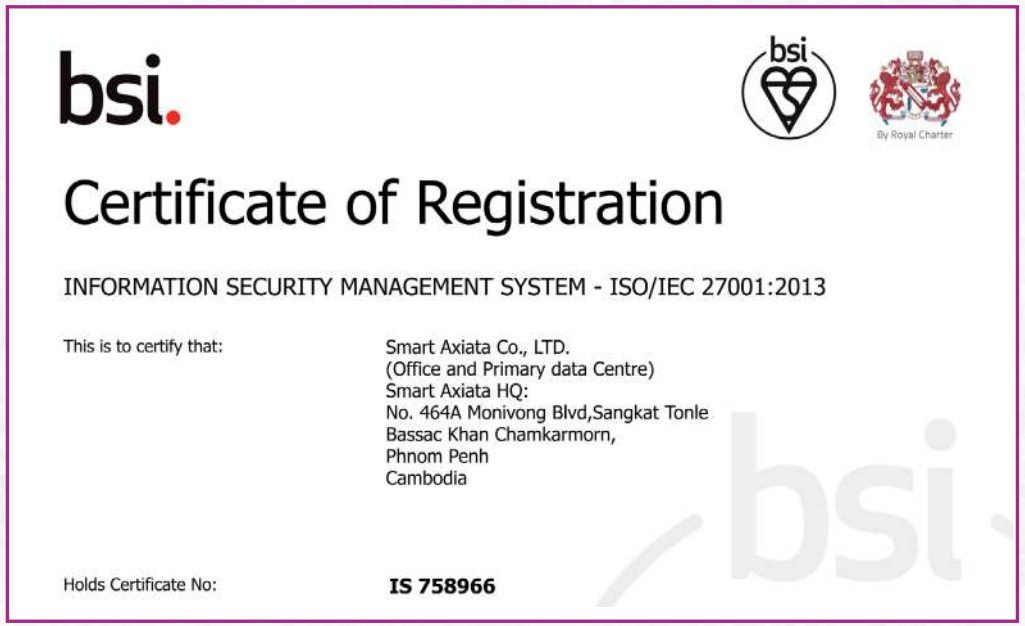
Suppliers

- **Third party disclosure procedure – Collective Brain**
- **Data Protection Impact Assessment (DPIA) conducted for all processes**
- **Rigorous due diligence on vendors**

PROCESS EXCELLENCE

DIGITALIZATION (CONTINUED)

Cybersecurity



bsi.

Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2013

This is to certify that:

Smart Axiata Co., LTD.
(Office and Primary data Centre)
Smart Axiata HQ:
No. 464A Monivong Blvd,Sangkat Tonle
Bassac Khan Chamkarmorn,
Phnom Penh
Cambodia

Holds Certificate No: **IS 758966**

Cybersecurity Protections and Safeguards

Smart has implemented various physical, technical and administrative security measures to protect personal data and our network from unauthorized access, using encryption protocols, access control and user authentication mechanisms and continuously monitoring our systems for suspicious activities. Furthermore, we have incorporated privacy by design into our systems to ensure that personal data is protected.

Smart regularly provides data protection training and awareness programs for our employees and vendors and also establishes legal agreements with third parties in order to protect data.

- We are the **first telco** in Cambodia to be **certified with ISO 27001:2013**, which is the most widely recognized and internationally accepted information security standard
- **Smart Axiata's compliance has been validated by an independent auditor**, after demonstrating a continuous and systematic approach to the management and protection of company, vendor and customer data
- We are **transforming into a digital lifestyle brand**, having introduced many innovative offerings and lifestyle entertainment value propositions while proritizing security as a top concern
- Engaged an independent third-party vendor **to support, implement and assess the compliance of Information Security Management System – ISO/IEC 27001:2013**. This initiative also improved the maturity level of the National Institute of Standards and Technology (NIST)
- **Implemented the Web Application Firewall (WAF)** to protect all our public- facing applications
- **Implemented next generation anti-virus software, EDR and PAM** to protect our critical assets and systems
- **Conducted security exercises** (red teaming) to identify risk exposure and remediation opportunities, ensuring that we are safe and secure
- **Enhanced security control levels** by implementing the **Minimum Baseline Security Standard (MBSS 2.0)**
- **Expanded security event monitoring coverage** with **GSOC** for all **IT MCJ** and **CJ assets** and **Telco MCJ assets**, enhancing new use cases to increase the level of detection
- **Conducted security risk assessments** for both internal and third-party vendors **to identify the level of risk exposure and implement mitigation plans**

PROCESS EXCELLENCE

BUSINESS CONTINUITY

We are committed to ethically delivering consistently excellent customer experiences by providing high-quality and user-friendly products and services to fulfil customers' digital needs. We implemented the following measures to boost overall resilience and process efficiency:

Risk and Compliance

Structured Governance

We have established the **Board Risk Management and Compliance Committee (BRCC)** and **Risk Management and Compliance Committee (RMCC)** to oversee Environment, Social and Governance (ESG), Compliance and Ethics, Data Privacy, Risk Management and Cybersecurity.

100%

of the BoD, SLT and our employees received the ABAC mandatory training

Each committee is guided by clear Terms of Reference (ToR) in ensuring that Smart Axiata:

- Upholds the highest standards of conduct and acts lawfully and ethically
- Has robust and effective systematic risk management in place with respect to cybersecurity, anti-money laundering, anti-bribery and anti-corruption, data privacy and ESG
- Responds effectively and promptly to business disruptions, such as disasters and incidents, with the ultimate goal of keeping customers connected

Organized Policies & Procedures

We are guided by Axiata Group's policies:

- Anti-Bribery and Anti-Corruption (ABAC) Policy
- Gift, Donation and Sponsorship Policy
- Branding, Adverting, Marketing and Sponsorship (BAMS) Policy

PROCESS EXCELLENCE

BUSINESS CONTINUITY (CONTINUED)

Risk and Compliance (Continued)

Risk Management and Incident Detection

The RMCC and BRCC have identified bribery and corruption as a significant risk factor to our operations.

Zero

confirmed incidents of corruption

Communication and Awareness

Our policies and procedures on bribery and corruption have been communicated to:

Business Partners

- Email dissemination of our policy to vendors and partners
- Publicly accessible reading materials at smart.com.kh

Governing Bodies including Board Of Directors (BoD) and Senior Leadership Team (SLT)

- All principles and policies are discussed and endorsed by management and the BoD
- ABAC mandatory training sessions

Employees at all levels

- Newsletters
- Compliance Month at Smart
- ABAC mandatory training sessions

Business Continuity Management (BCM) Program

We have institutionalized the BCM program within our organization to minimize business disruptions during incidents or crises.

- We are implementing the BCM program based on the latest **ISO 22301:2019**
- Smart obtained a score of 4.09/5 in an assessment of the maturity of our BCM program, conducted by KPMG Malaysia
- We have conducted disaster-recovery testing on critical systems and applications

PLANET AND SOCIETY

As Cambodia's leading mobile telecommunications operator, our goal is to connect people and enhance their lives. We accomplish this through significant initiatives that protect the planet while addressing the needs of our people. We contribute to society and the planet by reducing our carbon footprint, minimizing environmental impacts and empowering communities through diverse programs focused on securing a sustainable future.

Sustainable Development Goals

4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

PLANET AND SOCIETY

FOCUS AREAS

Climate Action

We remain steadfast in our dedication to reducing carbon emissions and actively employ advanced technologies to minimize our carbon footprint.

Contribution to Society

We strongly believe in giving back to society and supporting the growth of young Cambodians. As part of our commitment, we actively engage in various education and sports programs, empowering youths with the necessary skills and resources to thrive.

Tech Innovation

We support various programs that promote technological development and innovation. These initiatives encourage creativity, push the boundaries of innovation and foster technological advancement in Cambodia.

PLANET AND SOCIETY

CREATING LONG-TERM VALUE THROUGH OUR INVESTMENTS

Gasoline for mobile generators, motorbikes and cars **decreased by**
2% compared to 2021

Diesel for cars **increased by**
11% compared to 2021

Average fuel usage per site per month **dropped by**
18%

Solar power deployed at
242 new sites

Total sites solar power:
1,080 in 2022
Total sites with solar power: 838 in 2021

CLIMATE ACTION

Internal controls and monitoring mechanisms to manage environmental impacts.

Smart is guided by the Axiata Net-Zero Carbon Roadmap in mitigating energy and emissions. Our targets are:

45% carbon emission reduction by 2030

Zero carbon emissions by 2050

Energy Consumption

Reducing Environmental Impact through Responsible Practices

- **Average fuel usage per site per month**

254L compared to 310L in 2021

Growth of Renewable Energy

- Solar power deployed at **242 sites**
- Out of all the sites, **32% was equipped with solar power**. This marks a **7% increase** compared to the numbers recorded in 2021
- In 2023, **280 sites are planned to be equipped** with solar power

PLANET AND SOCIETY

CLIMATE ACTION (CONTINUED)

We remain steadfast in our dedication to reducing carbon emissions, actively employing advanced technologies to minimize our carbon footprint.

Climate-related risks and opportunities

- To protect the best interests of our stakeholders and communities, a robust Enterprise Risk Management (ERM) system has been implemented at Smart
- Smart evaluates the internal and external environment through a 360-degree view to identify potential and emerging risks
- Aligned with research papers from world-class institutions, as well as reports from the World, Smart has recognized extreme climate change/weather as an emerging risk and closely monitors it

- A series of actions have been taken, including but not limited to:

Responsive Actions:

- Established the business continuity management (BCM) program to respond to any incidents/business disruption, especially those related to climate change

Preventive Actions:

- Renewable energy technology
- Encourage our partners, suppliers/ vendors to start taking necessary actions concerning climate risks by requiring them to acknowledge their commitment to our Supplier Code of Conduct

Resource and waste management

We are steadfast in our commitment to fostering a circular economy within our operations and extending sustainable solutions to our customers and supply chain for waste management in our efforts to secure a sustainable future for the next generation.

Waste Management

Our initiatives in 2022 included:

- **Digital control stock**
  A digital tool on our Intranet's "Service Desk" that monitors and reduces paper and plastic stationery consumption
- **Reusing plastic containers**
  Purchased products from Just Good Refills using refillable containers to avoid single-use plastics
- **Reducing face masks for employees**
  Decreased the number of face masks given out daily to reduce environmental impact
- **EcoBatt-Energy**
  Internal battery-recycling project was initiated in collaboration with EcoBatt-Energy with the aim of helping our employees to recycle their used batteries and enhance the circular economy and responsible consumption

Water Consumption

Motion-Sensor Faucets
We utilize motion-sensor faucets for all our taps in restrooms

Educational Posters
Delivering responsible water-usage messages to employees

IMPACT STORY

At our headquarters, we participated in the Cambodia Energy Efficiency initiative to raise awareness of energy consumption.

Various initiatives were rolled out to encourage and educate our employees, helping them to use energy more efficiently. As a result, our employees became more accustomed to switching off the lights and air conditioning (AC) system in the office. Some of the highlights of the initiative include:

Energy consumption improvements
Our monthly energy consumption improvements led to a consistently better savings record.

Engagement via awareness campaigns and activities
We believe that our technical team alone cannot achieve Smart Axiata's energy efficiency goal. Thus, we actively engaged employees through activities and awareness campaigns about energy efficiency. Our employees recognized their role in this collective journey and enthusiastically participated in driving this initiative to enhance our corporate sustainability.

Enhanced energy efficiency
As our initiative advances, we observe positive changes in employee behavior. They willingly volunteer to enhance energy efficiency in the office in the office i.e. turning off lights during lunch break.

Establishment of Green Team
The Green Team enhances the implementation of initiatives and engages employees. Our team at Smart emerged as the best Green Team amongst all participating Cambodian companies.

Awareness stickers
Creative stickers were placed on every floor of our main office with call-to-action messages.

Energy-sharing sessions
Monthly sharing sessions with our employees during lunchtime for in-depth discussions on energy efficiency.

Monthly quiz
Questions on energy efficiency were posted on Yammer and winners were awarded with prizes and recognition.

Smart Energy Hero
A group of volunteers who encouraged colleagues to use energy in the office efficiently. They advocated the message that "Every Smart employee can be an Energy Hero".

Energy efficiency competition
We conducted a video competition among our employees, encouraging them to share their methods for using energy efficiently. Three winning groups were selected, and they were awarded prizes and recognition by our CEO and Head of Human Resources.

At our technical sites, we have implemented various initiatives to reduce energy consumption. However, we recognize that there have been some inefficient practices in the placement of AC units. We are planning to address these issues to enhance energy efficiency in the upcoming financial year.

- Relocation of hardware – nearly half of our hardware has been moved to optimize cooling and improve Power Usage Effectiveness.
- Enabled scheduled power-off for VMware nodes – these nodes are not required during off-peak hours
- Deactivation of some third-party oversized CDN deployments – this was executed in the Toul Kork (TKK) data center without an adverse effect on generated traffic
- Centralized our AC at our office via a web portal – ensures room temperatures are no lower than 25 degrees Celsius

PLANET AND SOCIETY

CONTRIBUTION TO CULTURE AND SOCIETY

We strongly believe in giving back to society and supporting the growth of young Cambodians. As part of our commitment, we actively engage in various education and sports programs, empowering the youths with the necessary skills and resources to thrive.

Smart is guided by Environmental, Social and Governance (ESG) elements, anchored on our vision to become The Next Generation Digital Champion under Axiata.

Education, culture and community sports

Environment

Tech innovation and tech-related entrepreneurship

Safer Internet Day with Action Pour Les Enfants (APLE) Cambodia

A program aimed at educating children and youths on the safe and responsible use of digital technology.

- Organized in partnership with the National Committee for Counter Trafficking (NCCT), Ministry of Education, Youth and Sport (MoEYS), Cambodian Red Cross, Pour un Sourire d'Enfant (PSE) and Indochina Starfish Foundation (ISF)
- A total of **374** participated in the program

National Youth Debate with the Ministry of Environment (MoE)

- A knowledge-sharing initiative to educate youths and create awareness on environmental issues, conservation, environmental protection and sustainability, encouraging students to research topics related to the environment
- **253 youths** from Preah Sihanouk province participated in the program, which was organized in collaboration with the MoE

Run with Sai

- The "Run with Sai" campaign aimed aimed to raise funds for the Angkor Hospital for Children.
- In this campaign, artist Oun Batham (Sai) covered 303 kilometers in nine days, taking 400,000 steps from Phnom Penh to Siem Reap for his 32nd birthday celebration and charity fundraising. We contributed to the cause by raising awareness donating 15,000 USD and facilitating subscriber donations through USSD codes and mobile banking as part of our ongoing commitment to community support

PLANET AND SOCIETY

CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)

iGoPleng2.0 and Pleng Music Awards

Pleng by Smart is Cambodia's leading music streaming app, providing free and unlimited access to over 1 million songs from more than 10,000 local and international artists.

Last year, we launched the #iGoPleng2.0 concert to introduce the app's enhanced features, including a new user interface and engaging content like music videos, podcasts and in-app stories, fostering stronger connections between artists and fans nationwide. The app promotes local Khmer artists and their growing fanbase, cultivating a deeper appreciation for Cambodian music.

In addition, we also organized the Pleng Music Awards 2022, the first ever music award in Cambodia, to recognize and support Cambodian singers, songwriters and producers. The new “Content Creator of the Year 2022” category was created to raise funds for the Cambodia Kantha Bopha Foundation and Angkor Hospital for Children.

PLANET AND SOCIETY

CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)

Digital Literacy Workshop with Ministry of Education, Youth and Sports

- A three-day workshop provided to high school students aimed at enhancing the digital literacy of students, creating an inclusive digital society and economy, at the same time helping them to safeguard themselves while using digital tools
- **1,080 students** from three provinces participated in the workshop and 25 trainers attended the training
- Those who participated came from Kampong Cham, Kampong Chhnang and Kampong Thom

PEP Talk with IDEA Consulting Company

- Cambodia's first empathy-driven and holistic workforce forum to address skill gaps, reluctance to upskill and limitations in the workplace
- **More than 500** participated in physical and virtual workshops and forums
- We contributed via conducting SMS blast campaigns and posting on social media

SmartEdu University Student Development Program (USDP)

- Nurtured and equipped **48 young Cambodians** with the values, critical competencies and skills needed to become resilient corporate digital leaders of the future
- 360-degree evaluation, co-led feedback and post-program surveys were conducted to evaluate effectiveness

Mobile Library with Sipar

- Benefited **5,000 children** through reading-related activities including story-telling, free reading, educational games, puppet sequences and book-lending services in 20 targeted locations
- Gained feedback through post-event surveys

SmartEdu Scholarship

- Covered tuition fees and provided a monthly stipend to **34 scholars**
- Organized a grand graduation ceremony for our first three cohorts of scholars
- Conducted a one-night induction camp to foster bonding and capacity building among the scholars

National Literacy Day

- Jointly supported by MoEYS to celebrate the National Literacy Day under the theme "Literacy is the foundation of lifelong learning". The initiative reached **1,600 people**

Junior Chamber International (JCI) Cambodia

- Aimed to support the younger generation in becoming leaders
- Effectively raised awareness of community issues through diverse initiatives in the areas of business, entrepreneurship and community development, impacting a total of **8,487 individuals**, including both young people and local business owners

PLANET AND SOCIETY

CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)

Movers Workshop

Movers Program 2022 is part of a regional volunteer movement that focuses on grassroots training to raise awareness about SDGs, foster entrepreneurial mindsets and develop 21st-century skills. The program employs a training-of-trainers approach and partners with communities to reach marginalized groups and support Cambodian youths.

- Approximately **4,889 youths** were trained and educated in sustainability, entrepreneurship and 21st-century skills
- A total of **136 workshops** were conducted in partnership with Impact Hub Phnom Penh

Cambodia Climate Changes Summit 2022 (CCCS22)

Smart reaffirmed its commitment to sustainability and environmental preservation by supporting the CCCS22 with the Mekong Future Initiative. The three-day event saw experts, practitioners, civil society groups and business organizations showcase Cambodia's efforts towards sustainability and mitigating the impacts of climate change.

The aim of the event was to advance the national discourse on climate-related issues in Cambodia and improve coordination between climate change professionals. Topics such as renewable energy, green finance/climate financing, SDGs and environmental technological innovations were discussed at the CCCS22. During the event, Smart also showcased other initiatives to reduce carbon emissions through our products and services via the launch of the eSIM. Additionally, there was a knowledge-sharing initiative to educate youths and create awareness of environmental issues, conservation, environmental protection and sustainability.

- Together with the Mekong Future Initiative and MoE, an annual conference for the public and private sectors were organized to discuss potential solutions and initiatives to combat climate change
- Approximately 150 participants from local and international organizations attended the three-day event in Siem Reap
- The event marked the launch of the first CCCS Sustainable Solutions EXPO, which featured 20 vendors
- A Youth Summit was also held, comprising youth groups and participants from Siem Reap universities

PLANET AND SOCIETY

CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)

Project R with Cambodia Rural Students Trust (CRST)

29 secondary schools and high schools in Siem Reap engaged

17,334 students educated

145 Plastic Education for Future Leaders books given to schools

10 environment programs with ambassadors established

17,961 eco-bags provided to students and teachers

1,333 students and teachers participated in Clean-Up Day activities

- During the two-day trip, we donated caps, tote bags, tumblers and study materials to students and planted a total of 100 trees at Kean Sangke High School
- Supported by Smart Axiata and other key partners, CRST executed Project R, aiming to establish a lasting transformation and a "new normal" within the Siem Reap communities. The project targeted 17,334 high school students, addressing issues associated with the use and disposal of single-use plastics

Earth Hour Campaign

Aimed to inspire and empower individuals, communities, businesses and organizations to take action on climate change and sustainability approaches for a brighter future

- Approximately 40 of our Mondulkiri-based employees actively participated in initiative to increase awareness of the consequences of excessive energy consumption
- Enhanced campaign awareness via Facebook posts and videos, reaching 938,790 people and generating a total of 62,990 engagements

IMPACT STORY

IMPACT+ by World Vision

An initiative dedicated to equipping children and the youths in rural Cambodia with essential life skills and education and providing them the chance to spearhead community projects. Organized in collaboration with World Vision International Cambodia, the program sought to make an impact on 20,000 young Cambodians.

Program outcomes:

- 169 IMPACT+ clubs formed
- 495 youth leaders equipped with life skills
- 4,607 youths participated in training courses and engaged in experiential learning
- 232 community service learning projects executed by IMPACT+ club members and leaders
- 9,820 local children and youths engaged in community service-learning projects
- 12 public schools became IMPACT+ partners

IMPACT STORY

Employee Volunteerism

Our employees contribute to society through volunteerism. We believe that providing opportunities for our employees to create positive change in communities for various causes gives them a sense of purpose in their work. Additionally, volunteerism enables Smart Axiata to directly connect with local communities and building relationships with our stakeholders. This, in turn, bolsters our reputation as an organization that prioritizes the well-being and needs of its people.

Program outcomes:

- Project R (employee engagement program with CRST)
- Career Forum (employee engagement program with Sipar)
- Earth Hour (employee engagement program with WWF)
- SmartEdu USDP
- SmartStart YIP
- SmartSpark
- SmartStart ULP
- Movers
- Kid-KATHON
- IMPACT+ with World Vision
- BEEP-UNESCO
- JCI
- Techno Pre-Incubation Program by ITC
- National Online Business Youth/Cambodia Entrepreneurship Day (ILO and MoEYS)
- SmartEdu Scholarship and Induction Camp

PLANET AND SOCIETY

TECH INNOVATION

We support various programs to promote technological development and innovation. These initiatives encourage creativity, push the boundaries of innovation and foster technological advancement in Cambodia.

Smart is guided by Environmental, Social and Governance (ESG) elements, anchored on our vision to become The Next Generation Digital Champion under Axiata.

Education, culture and community sports

Environment

Tech innovation and tech-related entrepreneurship

STEM Fair in Banteay Meanchey

Introduced STEM subjects to students and teachers to promote excellence and improve STEM teaching methods. The program also aimed to provide better career prospects for youths and prepare Banteay Meanchey students to compete nationally.

- 6,125 students from 15 Banteay Meanchey schools participated in the program organized in partnership with Samaritan's Purse
- A post-event survey was conducted to measure the effectiveness of the initiative

Kid-KATHON

This was a one-a-half-day, sprint-like event for students who are 12-15 years old. They are given the opportunity to collaborate, sharpen their critical-thinking skills and and increase their awareness of global issues. The program also serves as a platform for children to express their passion through technology and innovation, developing their problem-solving skills. Throughout the program, all participants had hands-on experience with micro:bit, the chosen tool for prototype development.

- 108 children benefited from the program organized in partnership with Tech for Kids Academy

PLANET AND SOCIETY

TECH INNOVATION (CONTINUED)

Cambodia 2022 Tech Expo (CTX 2022)

As Cambodia's largest tech expo and conference, the theme for the year was "A.C.T: Addressing Challenges Together through Tech Talents"

- Activities included dialogs, talks, exhibitions and presentations
- 15,000 individuals participated in this program organized in partnership with the Ministry of Industry, Science, Technology and Innovation (MISTI)

Techno Pre-Incubation Program

TECHNO PRE-INCUBATION PROGRAM 2022

- A competition program in collaboration with the Institute of Technology of Cambodia (ITC) for university students to design, build and pitch innovative STEM-based solutions
- The program benefited 157 students

Cambodia Entrepreneurship Day

- ILO and MoEYS collaborated on an annual initiative that offers entrepreneurship training
- Approximately 5,000 youths from 25 provinces and municipalities participated in training with SMEs who shared knowledge and provided mentorships

SmartStart Young Innovator Program (Cycle 5)

- Aimed at inspiring and enabling young Cambodian talents to develop innovative technology and ideas with Smart Axiata and Impact Hub Phnom Penh
- About 86 university students benefited from mentorships
- The program received positive feedback from participants, resulting in a high NPS score of 85

PLANET AND SOCIETY

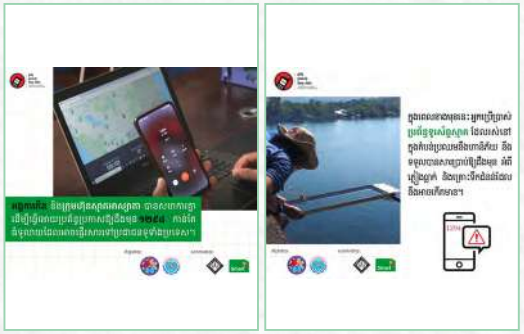
TECH INNOVATION (CONTINUED)

SmartSpark

- A startup program in partnership with Impact Hub Phnom Penh, SmartSpark supports youths with innovative ideas on tackling Cambodia's social and environmental issues
- The 10-week incubation program aims to help youths transform their creative ideas into viable businesses and solutions, benefiting 27 participants in 2022
- SmartSpark achieved an overall NPS score of 69

Cambodia Digital Awards 2022

- Partnered with the Cambodia Academy of Digital Technology (CADT) on an initiative to recognize and award the five best digital innovations in Cambodia
- Winners were chosen from a pool of 172 companies based on aspects such as innovation, creativity, impact and sustainability



Disaster Response Preparedness

- In 2022, we spearheaded the "1294 Early Warning System" with humanitarian relief NGO, People in Need, an early warning system for disasters. We aim to create an API in 2023 for the National Committee for Disaster Management (NCDM) and humanitarian People in Need to send SMS alerts to communities in disaster-prone areas
- The program is currently in its testing phase

SmartStart Unipreneur Learning Platform (ULP)

- A collaborative effort with Impact Hub Phnom Penh, SmartStart ULP develops technical skills and entrepreneurial mindsets among university students
- Beneficiaries:
  - Student hackathon – **41**
  - Lecturer hackathon – **25** (the program received positive feedback from lecturers, resulting in a high NPS score of 70)
  - Training of Trainers – **14**
  - Students engaged in ULP courses at universities – **611**

IMPACT STORY

Basic Education Equivalency Program (BEEP) in Partnership with UNESCO

Objective

A joint initiative between Cambodia's Ministry of Education, Youth and Sport and the Ministry of Labour and Vocational Training with support from UNESCO to provide alternative education access for out-of-school youths to complete lower secondary/basic education through flexible learning.

Smart's contribution:

- **Additional tablet devices** with SIMs to be used at learning centers
- **Free Internet packages** for BEEP learners to access the learning platform
- **Continued collaboration** for Phase III, slated for the next two years until 2024
- **50,000 USD** in-kind support

In 2022, BEEP's milestones included:

- **22** existing BEEP learning centers fully operational in **11** provinces/cities
- **4** new BEEP learning centers established in **3** more provinces/cities
- **8** more facilitators recruited and trained
- **601** new learners (33% female)
- **299** successfully graduated (30% female)
- **Career counseling** and **Training of Trainers manuals** for facilitators developed and printed
- **Inter-ministerial** working group established comprising all relevant departments

GRI CONTENT INDEX

Statement of Use	Smart Axiata has reported the information cited in this GRI content index for the period January 1, 2022, to December 31, 2022 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

GRI Disclosure	GRI Disclosure Title	Page Number/Remarks
The organization and its reporting practices		
2-1	Organizational details	1-2
2-2	Entities included in the organization's sustainability reporting	2
2-3	Reporting period, frequency and contact point	The reporting period for this Annual Sustainability Report is from January 1, 2022 to December 31, 2022. For questions and feedback, please contact sustainability@axiata.com
2-4	Restatements of information	There were no restatements made during the reporting period
2-5	External assurance	This report has not been externally assured
Activities and workers		
2-6	Activities, value chain and other business relationships	1-2. Refer also to Axiata Group Berhad SNCR 2022
2-7	Employees	14
2-8	Workers who are not employees	Information not available
Governance		
2-9	Governance structure and composition	Refer to Axiata Group Berhad SNCR 2022
2-10	Nomination and selection of the highest governance body	Refer to Axiata Group Berhad SNCR 2022
2-11	Chair of the highest governance body	Refer to Axiata Group Berhad SNCR 2022
2-12	Role of the highest governance body in overseeing the management of impacts	Refer to Axiata Group Berhad SNCR 2022
2-13	Delegation of responsibility for managing impacts	Refer to Axiata Group Berhad SNCR 2022

GRI CONTENT INDEX

GRI 2: General Disclosures 2021

GRI Disclosure	GRI Disclosure Title	Page Number/Remarks
Governance		
2-14	Role of the highest governance in sustainability reporting	Refer to Axiata Group Berhad SNCR 2022
2-15	Conflicts of interest	Refer to Axiata Group Berhad SNCR 2022
2-16	Communication of critical concerns	Refer to Axiata Group Berhad SNCR 2022
2-17	Collective knowledge of the highest governance body	Refer to Axiata Group Berhad SNCR 2022
2-18	Evaluation of the performance of the highest governance body	Refer to Axiata Group Berhad SNCR 2022
2-19	Remuneration policies	Refer to Axiata Group Berhad SNCR 2022
2-20	Process to determine remuneration	Refer to Axiata Group Berhad SNCR 2022
2-21	Annual total compensation ratio	Refer to Axiata Group Berhad SNCR 2022
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	3-4
2-23	Policy commitments	Refer to Axiata Group Berhad SNCR 2022
2-24	Embedding policy commitments	Refer to Axiata Group Berhad SNCR 2022
2-25	Processes to remediate negative impacts	Refer to Axiata Group Berhad SNCR 2022
2-26	Mechanisms for seeking advice and raising concerns	Refer to Axiata Group Berhad SNCR 2022
2-27	Compliance with laws and regulations	There were zero fines and non-monetary sanctions received in 2022
2-28	Membership associations	Refer to Axiata Group Berhad SNCR 2022
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Refer to Axiata Group Berhad SNCR 2022
2-30	Collective bargaining agreements	Refer to Axiata Group Berhad SNCR 2022

GRI CONTENT INDEX

GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Refer to Axiata Group Berhad SNCR 2022
3-2	List of material topics	Refer to Axiata Group Berhad SNCR 2022

BEYOND SHORT-TERM PROFITS

GRI Disclosure	GRI Disclosure Title	Page Number/Remarks
Focus Area: Local Economy		
3-3	Management approach	7
Focus Area: Investment in Infrastructure		
3-3	Management approach	7-8
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